

TRANSPORTATION COMMITTEE REPORT relative to Transportation Grant Fund report for Fiscal Year (FY) 2021-22.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the Controller to establish new appropriations in the amount of \$74,922,900 within the Transportation Grant (TG) Fund No. 655 for the projects and amounts listed in Attachment 1 of the December 1, 2021 City Administrative Officer (CAO) report, attached to the Council File.
2. AUTHORIZE a total increase of \$8,098,711 in appropriations within the TG Fund No. 655 for three existing projects with the amounts listed in Attachment 2 of the December 1, 2021 CAO report, attached to the Council File.
3. AUTHORIZE the Los Angeles Department of Transportation (LADOT) to:
 - a. Receive grant funds to reimburse the TG Fund No. 655 for expenditures made directly from the TG Fund.
 - b. Reimburse the General Fund on an annual basis for its costs associated with Fringe Benefits, Central Services, and Department Administration using proceeds that the Department has collected from granters.
 - c. Reimburse the Proposition C Anti-Gridlock Transit Fund No. 540 on an annual basis for its cost associated with the City staff salaries, overtime, compensated time off, and any other expenditures directly incurred by the Proposition C Anti-Gridlock Transit Fund No. 540 and associated with grant projects.
 - d. Increase appropriations within the TG Fund No. 655 by up to 25 percent of any project budget listed in the Attachments 1 and 2 of of the December 1, 2021 CAO report, attached to the Council File or any other project accounts, not to exceed \$100,000, provided that the proposed increase is reimbursable through a grant award and subject to the review and approval of the CAO.
 - e. Make any technical adjustments as necessary and consistent with Mayor and City Council actions on administrative and technical matters, subject to the approval of the CAO; and, request the Controller to implement these instructions.
4. DIRECT the LADOT to decrease and/or close out project appropriations for completed projects that have been accepted by the Board of Public Works, projects where the City Council has made a determination to cancel the project, and/or projects wherein the grant funding has lapsed or has been de-obligated.

Fiscal Impact Statement: The CAO reports that there is no General Fund impact. The Transportation Grant Fund is a revolving account established to receive grant reimbursements for transportation grant funded programs. A total of \$83.3 million in new grants was awarded to the City, of which \$74.9 million requires the establishment of new appropriations in the Transportation Grant Fund. In addition, the LADOT is requesting to increase existing appropriations by \$8.1 million for current projects that remain within their Council authorized project budgets.

Financial Policies Statement: The CAO reports that the recommendations contained in the December 1, 2021 CAO report, attached to the Council File, are in compliance with the City's Financial Policies in that onetime revenues (grants) are used for one-time expenditures.

Community Impact Statement: None submitted.

Summary:

On January 18, 2022, your Committee considered a December 1, 2021 CAO report relative to the Transportation Grant Fund report for FY 2021-22. According to the CAO, the 2021-22 Transportation Grants (TG) Fund report reflects a total of \$83.3 million in new transportation grants awarded to the City. The LADOT is requesting authority to establish new appropriations for six new projects totaling \$74.9 million as included in Attachment 1 of the CAO report. Also, the LADOT is requesting authority to increase appropriations in the total amount of \$8.1 million for three existing projects as detailed in Attachment 2 of the CAO report. In total, the LADOT is requesting to increase the appropriations in the TG Fund by \$83 million for both new and existing projects.

Intermittently, the LADOT requires the ability to increase project appropriations within the Transportation Grant Fund to accommodate design or construction contracting needs in cases where it has been decided that City staff will no longer perform the work. To facilitate these types of requests where there are no budget increases, the LADOT is requesting authority to increase appropriations by up to 25 percent of a TG Fund project's appropriation within the Council authorized budget, not to exceed \$100,000, subject to the review and approval of the CAO.

The cash balance in the TG Fund was \$67.4 million as of November 22, 2021 with \$383.7 million in current anticipated receivables, for a total of \$451.1 million. With the additional grant revenue anticipated for the new proposed projects in the CAO report, the current cash balance and current and future grant receivables are projected as \$460 million. This is sufficient to cover the total of the proposed increased appropriations in the TG Fund. The TG Fund is a revolving fund and the balance changes daily based on grant reimbursements received and/or expenditures made. It is anticipated that forthcoming grant receivables will reimburse the requested new appropriations. Therefore, this request is compliant with the City's Financial Policies in that appropriations are supported by anticipated grant revenues. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the

recommendations contained in the CAO report, as detailed above. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Transportation Committee

A handwritten signature in black ink, appearing to read "M. Bonin". The signature is fluid and cursive, with a large "M" and a stylized "B".

COUNCILMEMBER VOTE

BONIN: YES

KORETZ: ABSENT

BUSCAINO: YES

ARL

1/18/22

-NOT OFFICIAL UNTIL COUNCIL ACTS-